

**REMARKS**

As reflected in the listing of claims section, claims 1-47 are currently pending in this case, with claims 16-22, 38-44, and 47 being withdrawn from further consideration as drawn to a non-elected invention.

In the Office Action dated January 5, 2004, the Examiner rejected claims 1-15, 23-37, and 45-46 under 35 U.S.C. § 103(a) as being unpatentable over *McNeely et al.* (U.S. Patent No. 4,443,027) in view of *Basch et al.* (U.S. Patent No. 6,119,103).

Applicant respectfully traverses the rejection of claims 1-15, 23-37, and 45-56 under 35 U.S.C. § 103(a) because a *prima facie* case of obviousness has not been established by the Examiner.

In order to establish a *prima facie* case of obviousness, three basic criteria must be met. First, the prior art reference (or references when combined) must teach or suggest all the claim elements. Second, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify a reference or to combine reference teachings. Third, there must be a reasonable expectation of success. See M.P.E.P. § 2143.

**I. The Prior Art references relied on do not teach or suggest all of the claim elements**

Independent claims 1, 23, 33, 45, and 46 recite, among other things:

...  
establishing a general purpose credit line . . . the general purpose credit line being set as a revolving credit line;  
establishing a private label credit line . . . the private label credit line being set as a revolving credit line; and  
issuing the credit card to the cardholder with the established general purpose credit line and private label credit line.

Independent claims 11, 33, and 46 recite, among other things:

establishing a general purpose credit line. . . ;  
establishing a private label credit line that is a revolving credit line .  
. . . ; and  
issuing the credit card to the cardholder with the established  
general purpose credit line and the established private label credit line.

By contrast, *McNeely et al.* is directed to a system of providing a multiple-company credit card system that issues a primary plate to each participating credit card user. (Col. 2: 1-5). The system enables "each participating credit-card user to add or subtract credit authorizations without replacing the personally-tailored primary plate." (Col. 2, 13-16). The system also "tailors the credit authorizations represented on the primary plate to the credit preferences, requirements and qualifications of each individual, participating credit-card user." (Col. 2: 5-10). On the primary plate's surface there is room for a photograph, a blank space for affixation of the authorized user's signature, account number, and indicators, each indicator representing different credit accounts. (Col. 3-4: 5-60).

*McNeely et al.* however, contains no disclosure or suggestion of at least "establishing a general purpose credit line . . . the general purpose credit line being set as a revolving credit line; establishing a private label credit line . . . the private label credit line being set as a revolving credit line; and issuing the credit card to the cardholder with the established general purpose credit line and private label credit line," as required by claims 1, 23, and 45. Nor does *McNeely et al.* teach or suggest at least "establishing a general purpose credit line . . . establishing a private label credit line that is a revolving credit line . . . and issuing the credit card to the cardholder with the

established general purpose credit line and the established private label credit line,” as recited in claims 11, 33, and 46.

In the Office Action on page 2, the Examiner cites *McNeely et al.*, as follows: “[i]n particular in the card displays means of identifying the authorized user and means of determining banks, oil companies, and/or other credit sources which have extended the user credit.” The examiner further states that “this teaching represents issuing a credit card to a cardholder with a general purpose credit line (banks) and private label credit line (oil companies). However, not only has the Examiner failed to point out where *McNeely et al.* discloses “establishing a general purpose credit line . . . the general purpose credit line being set as a revolving credit line; establishing a private label credit line . . . the private label credit line being set as a revolving credit line,” as required by claims 1, 23, and 45, or where the reference discloses “establishing a general purpose credit line . . . establishing a private label credit line that is a revolving credit line . . . and issuing the credit card to the cardholder with the established general purpose credit line and the established private label credit line,” as required by claims 11, 33, and 46,” but the Examiner’s proposed interpretation of the reference is unsupported.

*McNeely et al.* on column 3, lines 62-65 states that “[o]n it are displayed means of identifying the authorized user and means of determining banks, oil companies and/or other credit sources which have extended the user credit.” Therefore, the *McNeely et al.* system merely *displays* on a card, the authority which has authorized to extend the credit card to a customer. Simply displaying on a card the authority that has issued it does not amount to a teaching or suggestion of at least “issuing the credit card

to the cardholder with the established general purpose credit line and private label credit line" as recited in claims 1, 11, 23, 33, 45, and 46.

Therefore, contrary to the Examiner's allegations, *McNeely et al.* does not teach or suggest at least "establishing a general purpose credit line . . . the general purpose credit line being set as a revolving credit line; establishing a private label credit line . . . the private label credit line being set as a revolving credit line; and issuing the credit card to the cardholder with the established general purpose credit line and private label credit line," as recited in claims 1, 23, and 45, nor does it teach or suggest at least "establishing a general purpose credit line . . . establishing a private label credit line that is a revolving credit line . . . ; and issuing the credit card to the cardholder with the established general purpose credit line and the established private label credit line," as recited in claims 11, 33, and 46.

*Basch et al.* cited merely to show a risk prediction system, fails to cure the deficiencies of *McNeely et al.*, as noted above. Therefore, *McNeely et al.* and *Basch et al.*, whether taken alone or in combination, fail to teach or suggest all of the elements of claims 1, 11, 23, 33, 45, and 46. The Examiner has therefore not met an essential criteria for establishing a *prima facie* case of obviousness, wherein "the prior art reference (or references when combined) must teach or suggest all the claim limitations." See M.P.E.P. §§ 2142, 2143, and 2143.03.

## **II. Lack of motivation or suggestion to modify or combine references**

The M.P.E.P. sets forth:

"Obviousness can only be established by combining or modifying the teaching of the prior art to produce the claimed invention where there

is some teaching, suggestion, or motivation to do so found either explicitly or implicitly in the references themselves or in the knowledge generally available to one of ordinary skill in the art.” “[l]t is necessary to ascertain whether or not the reference teaching would appear to be sufficient for one of ordinary skill in the relevant art having the reference before him to make the proposed substitution, combination, or other modification.” M.P.E.P. § 2143.01, emphasis added.

One skilled in the art would only arrive at the present claimed invention by consulting Applicants’ disclosure, yet “[t]he teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant’s disclosure.” M.P.E.P. § 2142, internal citations omitted. Applicants submit that *McNeely et al.* and *Basch et al.* do not provide the requisite motivation to one of ordinary skill in the art to facilitate their combination, from within the references themselves. Applicants also note that one of ordinary skill in the art must have this motivation or reason *without the benefit of Applicants’ specification* to modify the references.

*McNeely et al.* and *Basch et al.* fail to provide the requisite motivation to facilitate their combination for the following reasons. *McNeely et al.* focuses on “providing a multiple-company credit-card system which enables participating credit-card users to eliminate the necessity of owning or carrying a bulky, inconvenient stack of credit-cards issued by individual banks, oil companies, department stores or other credit extenders.” (Col. 2: 54-60). *Basch et al.* on the other hand, is directed to “predicting financial risk.” (Col. 3: 52). Applicants therefore submit that one of ordinary skill in the art would not

have been motivated to combine *McNeely et al.*'s system of reducing a bulky, inconvenient stack of credit cards with *Basch et al.*'s system of predicting financial risk.

Furthermore, Applicants dispute Examiner's allegations that "[i]t would have been obvious to a person of ordinary skill in the art at the time the invention was made to modify the system of *McNeely* so that the credit sources utilized a risk based scoring system before establishing revolving credit lines as taught by *Basch* in order for the credit sources to minimize losses." (Office Action, page 3). The *McNeely et al.* system cannot be modified as suggested by the Examiner for at least the reason that the system is not directed at issuing credit cards. *McNeely et al.* is only directed at issuing the "primary plate" to a participating credit-card user and the *McNeely et al.* system is only used *after* a credit card has been issued by a credit issuer, where "each participating credit-card user is issued a primary or master plate of a size."

Therefore, in order to be a participating credit-card user, one has to already have been approved for a credit card, and as a result, a financial risk system as described in *Basch et al.* at this stage, is useless because the credit card has already been issued. There is no reason for the credit sources in *McNeely et al.* to utilize "a risk-based scoring system before establishing credit lines" (Office Action, page 3) because the *McNeely et al.* system is merely issuing primary plates, tailoring the credit authorizations represented on the primary plates, and permitting each participating credit-card user to add or subtract credit authorization. (Col. 2: 1-15). Each of these steps occurs with a credit-card user which implies that the steps in *McNeely et al.* occur *after* the user gets the credit card. Therefore, there is no use in the *McNeely et al.* system for a "risk-based scoring system" which is used *before* credit cards are issued as evidenced in the

examiner's remarks that "the credit sources utilized a risk based scoring system **before** establishing revolving credit lines." (Office Action, page 3).

Applicants respectfully remind the Examiner that "[t]he initial burden is on the Examiner to provide some suggestion of the desirability of doing what the inventor has done." M.P.E.P. § 2142. The prior art references themselves must provide the motivation to combine, and the presently applied references clearly fail to do so, therefore failing to provide some suggestion of the desirability of doing what Applicants have done.

As already demonstrated, such combination of these references fails to establish obviousness of the claimed invention. Therefore, Applicants submit that Chung and Gallagher do not suggest the desirability of any modification which would result in Applicants' claimed invention.

### **III. Lack of reasonable expectation of success**

In addition, regarding the required reasonable expectation of success, as evidenced from previous arguments regarding *McNeely et al.* and *Basch et al.*, Applicants submit that there would be no reasonable expectation of success to be derived from modifying *McNeely et al.* with *Basch et al.*, as this would diverge at least from the elements of Applicants' independent claims 1, 11, 23, 33, 45 and 46. This also demonstrates that the Examiner's reliance on *McNeely et al.* and *Basch et al.* is not sufficient to establish *prima facie* obviousness.

Thus, Applicants submit that the Examiner's reliance on these references fails to establish *prima facie* obviousness. Therefore, Applicants submit that independent

claims 1, 11, 23, 33, 45, and 46 are allowable, for the reasons argued above. In addition, dependent claims 1-10, 12-22, 24-32, and 34-44 are also allowable at least by virtue of their respective dependence from allowable base claims 1 and 11. Therefore, Applicants respectfully submit that the Examiner should withdraw the 35 U.S.C. § 103(a) rejection.

**IV. Conclusion**


In view of the foregoing remarks, Applicants respectfully request reconsideration and reexamination of this application and the timely allowance of the pending claims.

Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 06-0916.

Respectfully submitted,

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